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Bulgarian Treatment of Czech National Day

Bulgaria has not given any clear-cut indication of its course of action relative to the crisis in Czechoslovakia. The congratulatory greetings from Bulgarian party and state leaders marking Czechoslovakia's National Day on 9 May were a shade cooler than last years. Bulgarian attendance at the Czechoslovak National Day reception in Sofia, however, was slightly more prestigious than in 1967. Party leader Zhivkov probably will attempt to avoid publicly siding with either side in order to appease the Soviets and the nationalist faction within his own party.

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Rumania's Friendship Treaties with the USSR and Bulgaria

"Agreed" texts with Moscow and Sofia reportedly have been reached, but Bucharest has yet to achieve agreement with Budapest--the third Communist capital with which its friendship treaties have lapsed.

[redacted] Rumanian party and state chief Ceausescu did not say when the treaties might be signed. However, an Izvestia correspondent in Bucharest said that it will be soon. Ceausescu also failed to mention renewal of the Rumanian-Czechoslovak treaty which expires this July.

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Faced with the near certainty of a drastically altered Rumanian-Czechoslovak treaty, it seems quite probable that the Russians have agreed to Rumania's terms as a way of bowing gracefully to Bucharest's intransigence. If the new treaty with Moscow contains [redacted] it represents a significant Rumanian political victory, which is none the less remarkable given Bucharest's now "semi-active" role in the Warsaw Pact. Given the current spate of Rumanian

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activity toward the West, Bucharest may view signing the new treaties as a compensating move towards its allies.

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Brandt Schedules Visit to Yugoslavia

West German Foreign Minister Brandt will pay an official visit to Yugoslavia on 12-14 June. This will be the first visit of a West German Foreign Minister to Yugoslavia. Principal items on the agenda are European security, the large Yugoslav trade deficit with West Germany, and the situations in Vietnam and the Middle East.

The Yugoslavs probably hope that Brandt will urge the Common Market to consider reaching a trade agreement with Yugoslavia. Common Market tariff and trade policies already have seriously affected exports of some Yugoslav agricultural products.

Although neither government has named an ambassador since their renewal of diplomatic relations last January, the exchange may come soon. Yugoslav Assistant Foreign Minister Radivoje Uvalic apparently is Belgrade's choice for the Bonn post.

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Hungarian Economic Reform Meeting Bureaucratic Opposition

Apparatchiks facing the loss of their positions in Hungarian central economic ministries due to the economic reform, are reportedly opposing the reform's implementation.

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[redacted] this "trust" group is appealing to fears among conservatives that the reform signals a reversion to capitalism. These scare tactics have forced the regime to assuage such fears with periodic warnings against harmful--capitalistic--tendencies while still pushing the reform. This ambivalent stand has led to excessive wariness by managers who are afraid to use their new authority without clearcut guidelines.

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Reform planners may want to take steps to correct the current shortcomings of the reform but in a 23 April TV interview Premier Fock ruled out administrative tampering for another six months or a year, after which some "help" may be given. For the immediate future it appears that the regime will emphasize a smooth organizational transition, and will only gradually expect an improvement in performance.

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Czechoslovak Economic Council Calls for Five-Day Work Week

The five-day week would come into effect on 29 September 1968, if a recommendation of the economic council is adopted by the government. The council met on 2 May and cautioned, however, that the change should "be effected with regard to the necessary economic conditions being created in individual enterprises." The council also directed that the concept of "differentiated prices" for goods and services supplied on non-working days be considered. Presumably this means higher prices to pay for the overtime of workers who would have to man the shops on Saturdays and Sundays.

The council also "dealt further with the complex of problems concerning foreign loans." This probably was in preparation for Dubcek's trip to Moscow on 4-5 May.

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